

106TH CONGRESS
2D SESSION

H. CON. RES. 417

Expressing the strong support of Congress that the Federal Energy Regulatory Commission execute its fundamental responsibility to reform the unjust and unreasonable electric power rates in California immediately.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 4, 2000

Mr. HUNTER (for himself, Mr. BILBRAY, Mr. CUNNINGHAM, Mr. PACKARD, and Mr. FILNER) submitted the following concurrent resolution; which was referred to the Committee on Commerce

CONCURRENT RESOLUTION

Expressing the strong support of Congress that the Federal Energy Regulatory Commission execute its fundamental responsibility to reform the unjust and unreasonable electric power rates in California immediately.

Whereas the economy of San Diego and Orange Counties is being drained of \$75,000,000 to \$100,000,000 each month as a result of unreasonable electric power costs;

Whereas electricity consumers of San Diego and Orange Counties are expected to be \$500,000,000 poorer by the end of October 2000 as a result of electricity price spikes;

Whereas electricity prices have increased by 9000 percent in a matter of hours during periods of peak demand in San Diego this summer;

Whereas the Federal Energy Regulatory Commission has a fundamental obligation to protect American consumers from excessive electricity price increases;

Whereas section 206(a) of the Federal Power Act provides that “whenever the Federal Energy Regulatory Commission, after a hearing had upon its own motion or upon complaint, shall find that any rate, charge, or classification, demanded, observed, charged, or collected by any public utility for any transmission or sale subject to the jurisdiction of the Commission, or that any rule, regulation, practice, or contract affecting such rate, charge, or classification is unjust, unreasonable, unduly discriminatory or preferential, the Commission shall determine the just and reasonable rate, charge, classification, rule, regulation, practice, or contract to be thereafter observed and in force, and shall fix the same by order”;

Whereas the Commission’s authority under section 206(a) was recognized by the courts during *Louisiana Public Service Commission v. FERC*, with the U.S. Court of Appeals for the District of Columbia Circuit which stated that “as to matters within its jurisdiction, the Commission has the duty-not the option-to reform rates that by virtue of changed circumstances are no longer just and reasonable”; and

Whereas the Commission, through its willingness to hold a hearing on the justness and reasonableness of the rates, charges and practices of public utility sellers of wholesale power into the markets of the California Independent System Operator and California Power Exchange, has acknowledged that it recognizes its authority to establish new rates and charges pursuant to the findings of that hearing: Now, therefore, be it

1 *Resolved by the House of Representatives (the Senate*
2 *concurring)*, That it is the sense of Congress that the Fed-
3 eral Energy Regulatory Commission has the duty, not the
4 option, to reform the unjust and unreasonable electric
5 power rates in California without further delay.

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